



WILLIAM T FUJIOKA  
Chief Executive Officer

## County of Los Angeles CHIEF EXECUTIVE OFFICE

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August 10, 2010

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**FIVE-YEAR LEASE OPTION – LEASE NO. 63213  
INTERNAL SERVICES DEPARTMENT  
24754 WEST SADDLE PEAK ROAD, MALIBU  
ADVANCED TRANSMISSION NETWORK  
(THIRD DISTRICT) (3 VOTES)**

**SUBJECT**

This recommendation is to exercise a five-year option to extend the term of the lease.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Find that the exercise of the option is exempt from the provisions of the California Environmental Quality Act pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board, and Section 15301 of the State of California Environmental Quality Act Guidelines.
2. Approve and instruct the Chair to exercise the option to extend the term of the current lease with American Tower Corporation (Lessor), for approximately five years for the continued use of the telecommunications site located at 24754 West Saddle Peak Road, Malibu, for the Internal Services Department. The initial annual lease costs will be \$12,513. Rent is subject to annual adjustments during the option term. The lease costs are 100 percent net County cost.

*"To Enrich Lives Through Effective And Caring Service"*

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### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Since 1990, the County of Los Angeles (County) has leased the subject site for use by the Internal Services Department (ISD) which works with the Sheriff's Department (Sheriff) to house radio communications equipment in support of various County operations including the provision of law enforcement services, such as dispatching staff in response to calls for service, logistical/tactical operations and mutual aid assistance with other law enforcement agencies. The facility is an integral component to the Sheriff's Advanced Transmission Network (ATN), and it provides line-of-sight communications with other microwave repeater sites to transport communications traffic to and from the dispatching centers. The lease was for a five-year term with four options to extend the term for five years each. The current term expired on June 30, 2010, and the lease is on a month-to-month holdover. The County notified the lessor of its intention to recommend exercising its option to extend the term on a timely basis. The proposed action will exercise the last option to extend the lease term for approximately five years (through June 30, 2015) and will provide ISD with the continued use of the subject telecommunications site.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs that we provide the public with the effective delivery of services and efficient public services (Goal 1) and that we ensure the committed efforts continue to improve the safety and security of the County residents (Goal 5). The proposed lease extension supports these goals by securing this critical site for the continued use by ISD and Sheriff for the additional term.

### **FISCAL IMPACT/FINANCING**

The initial annual base rent will be \$12,513, pursuant to the terms of the option. This is calculated based on the current base rent adjusted pursuant to the Consumer Price Index (CPI) not to exceed \$271 annually.

<b>Saddle Peak</b>	<b>Current Lease Term</b>	<b>Proposed Term</b>	<b>Change</b>
Term (years)	7/1/05 – 6/30/10 (now on a month-to-month holdover)	Approximately five years, ending 6/30/15	None
Annual Rent	\$12,242	\$12,513 (first year)	+\$271
Utilities, Repair & Maintenance	Included in the rent	Included in the rent	None
Option To Extend Lease Term	One five-year option	Last option will be exercised	No option left
Rental Adjustment	A CPI adjustment capped at \$271 per year	A CPI adjustment capped at \$271 per year	None
Cancellation	At anytime upon 90 days prior written notice	At anytime upon 90 days prior written notice	None

Sufficient funding for the proposed lease is included in the 2010-11 Rent Expense budget and will be charged back to ISD. The costs are 100 percent net County cost.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The proposed option to extend the lease term for five years provides ISD and Sheriff with a communications site vital for their operations. The lease will be renewed under the prevailing terms, conditions, and cancellation right. The base rental rate is subject to annual adjustments based on the CPI capped at \$271 annually. There are no other changes to the lease as indicated above.

On May 13, 2010, the Lessor was provided with notice of County's intention to exercise its option, which was less than the 60 days notice period required by the lease. The Lessor, however, has agreed to allow the County to exercise its option. The letter also indicated to the Lessor that the actual exercise of the option will be only by approval of the Board of Supervisors.

Due to the unique geographic and utilitarian characteristics of the telecommunications site, the Chief Executive Office (CEO) Real Estate Division staff did not attempt to locate alternate sites.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no disruption of services as this is an exercise of an option to renew the lease terms. ISD concurs with this recommendation to exercise the option.

### **ENVIRONMENTAL DOCUMENTATIONS**

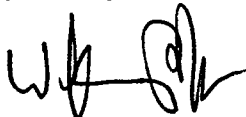
The CEO has performed an initial study of environmental factors and has concluded the option exercise is exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to Class 1 of the Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987 and Section 15301 of the State CEQA Guidelines.

The Honorable Board of Supervisors  
August 10, 2010  
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### **CONCLUSION**

It is requested that the Executive Officer, Board of Supervisors, return two adopted, stamped Board letters and two certified copies of the Minute Order to the CEO, Real Estate Division, 222 South Hill Street, 4<sup>th</sup> Floor, Los Angeles, CA 90012 for further processing.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'W. T. Fujioka', written over a horizontal line.

WILLIAM T FUJIOKA  
Chief Executive Officer

WTF:BC:SK  
WLD:CEM:MS:hd

### **Attachments**

c: Executive Office, Board of Supervisors  
County Counsel  
Auditor-Controller  
Internal Services Department  
Sheriff's Department

24754SaddlePeak.b

# INTERNAL SERVICES DEPARTMENT SADDLE PEAK MICROWAVE SITE

Asset Management Principles Compliance Form<sup>1</sup>

1.	<b>Occupancy</b>		Yes	No	N/A
A	Does lease consolidate administrative functions? <sup>2</sup>				X
B	Does lease co-locate with other functions to better serve clients? <sup>2</sup>				X
C	Does this lease centralize business support functions? <sup>2</sup>				X
D	Does this lease meet the guideline of 200 sq.ft of space per person? <sup>2</sup> <b>The premises are unmanned. However, staff visits the site occasionally to inspect, repair and service the equipment.</b>				X
2.	<b>Capital</b>				
A	Is it a substantial net County cost (NCC) program? 100%		X		
B	Is this a long term County program?		X		
C	If yes to 2 A or B; is it a capital lease or an operating lease with an option to buy?			X	
D	If no, are there any suitable County-owned facilities available?			X	
E	If yes, why is lease being recommended over occupancy in County-owned space?				X
F	Is Building Description Report attached as Attachment B?			X	
G	Was build-to-suit or capital project considered? <b>The unique geographic and utilitarian characteristics of the subject site preclude the consideration of a capital project.</b>			X	
3.	<b>Portfolio Management</b>				
A	Did department utilize CEO Space Request Evaluation (SRE)?		X		
B	Was the space need justified?		X		
C	If a renewal lease, was co-location with other County departments considered?			X	
D	Why was this program not co-located?				
	1. ___ The program clientele requires a "stand alone" parking area.				
	2. <u>X</u> No suitable County occupied properties in project area.				
	3. <u>X</u> No County-owned facilities available for the project.				
	4. ___ Could not get City clearance or approval.				
	5. ___ The Program is being co-located.				
E	Is lease a full service lease? <sup>2</sup>		X		
F	Has growth projection been considered in space request?				X
G	Has the Dept. of Public Works completed seismic review/approval?				X
<sup>1</sup> As approved by the Board of Supervisors 11/17/98					
<sup>2</sup> If not, why not?					